

August 13, 2004

VIA ELECTRONIC FILING

Marlene H. Dortch, Secretary Federal Communications Commission 445 12th Street, S.W. Washington, D.C. 20554

Re: Ex Parte Presentation – CC Docket No. 01-338

Dear Ms. Dortch:

Pursuant to Section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this will provide notice that on August 12, 2004, Peter Field, President of USA TELEPHONE, met with Christopher Libertelli, Senior Legal Advisor to Chairman Michael K. Powell, Aaron Goldberger, Legal Advisor to Chairman Michael K. Powell and Scott Bergmann, Legal Advisor for Wireline Issues to Commissioner Jonathan S. Adelstein. The purpose of these meetings was to introduce the company to the above-named legal advisors and generally discuss a proposed "carve-out" in the Commission's permanent unbundling rules for telecommunications providers that serve primarily rural residential customers and small businesses. An outline of the proposed "carve-out" is attached. This letter and the attached language are being filed today for inclusion in the record in the above-captioned proceeding. The attached language is identical to language USA TELEPHONE filed on July 30, 2004, with the exception that the U.S. Census Bureau data to be used would be 2000 data, not 2002.

On August 12, 2004, Mr. Field also met with Russell Hanser, Senior Attorney, Ian J. Dillner, Attorney Advisor, and Marcus Maher, Attorney Advisor in the Wireline Competition Bureau's Competition Policy Division, to follow up on earlier discussions regarding the proposed "carve-out."

Pursuant to the Commission's rules, one copy of this letter and the attached language is being filed electronically with your office for inclusion in the public record. Please do not hesitate to call me at (207) 467-8358 if you have any questions.

Respectfully submitted,

/s/

Paulina Collins, General Counsel USA TELEPHONE

cc: legal advisors